

Government Efficiency and Accountability Review (GEAR)

Delaware Quality Partnership Meeting

June 2nd 2017



Context

- U.S. and Delaware experiencing sustained but modest economic growth since 2008
 - Decline in labor force due to aging population State's revenue mix
- Forecasted \$400M budget gap for 2018
- Continuing budget gaps thereafter

Executive Order #4

GEAR was created to:

1. Develop recommendations for increasing efficiency and effectiveness across State government
2. Improve the State's strategic planning process
3. Improve the use of metrics in resource allocation decisions
4. Develop continuous improvement practices

Efficiency and
Effectiveness

Strategic
Planning
Process

Metrics and
Measurement

Continuous
Improvement

GEAR Board

- **Executive Branch**

- State Treasurer
- Director of the Office of Management and Budget
- Secretary of Finance
- CIO, Secretary of Technology & Information
- Secretary of Health and Social Services
- Secretary of Education

- **Legislative**

- Controller General

- **Judicial**

- Chief Justice of the Supreme Court

- **Business**

- DE Business Community Representative

- **Labor**

- AFSCME representative

Scope

- Finding cost saving opportunities through **shared services**



- Public Education, Human Resources, Information Technology, more!
- Back office services consolidation, accounting and financial services consolidations, more!

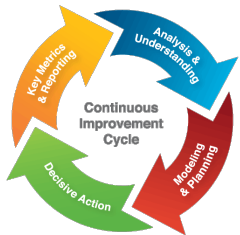
*... **what ideas do you have?***

- Building on established statewide continuous improvement programs

- Promoting continuous improvement programs across the state
- Expanding partnerships with:

- Delaware Manufacturing Extension Partnership
- **Delaware Quality Partnership**
- Delaware's higher education network

- Identifying all pockets of efficiency expertise statewide
- Finding ways for centers of expertise to work together



Scope



- Recommending changes to the Delaware Government Accountability Act to:
 - Drive the discipline strategic planning
 - Develop meaningful performance metrics
 - Monitor performance and allocation of scarce resources as part of the budget process
- Identifying changes to the State personnel system to:
 - Foster a culture of continuous improvement
 - Improve recruitment, development, and retention of employees



Preliminary Recommendations Report

- **Executive Order #4 report issued May 1st**
 - Preliminary Recommendations to Governor and JFC from Director of Office of Management and Budget and Sec. of Finance
- **Report addresses:**
 - The Budget Reset
 - Education
 - Health Care
 - Information Technology Centralization
 - Establishing the Department of Human Resources
 - Making Government More Efficient

Annual Report

Proposed Focus Areas

1. Education
2. Health Care
3. IT Efficiency
4. Human Resources Delivery
5. Financial Services Delivery
6. Public-Private Partnerships (3P)
7. Legislative Package



2017 Schedule

Process and Timing



- **GEAR01 Board: March 23rd**
 - Lightning Rounds scheduled & Homework Assigned



- **GEAR02 Board: May 18th**
 - Board identifies Annual Report Focus Areas
 - Nominate leader for each Project Team and pair with GEAR team member
- **June 16th:** Project Teams membership, objectives, resources, and schedule posted on GEAR website
- **GEAR03 Board: July 13th**
 - Project teams report status to Board

- **GEAR04 Board: September 12th**
 - Project team drafts presented to Board
- **November 1st:** Project team final reports delivered to Board
- **GEAR05 Board: November 16th**
 - Draft of annual report reviewed by Board
- **December 1st:** Annual GEAR report delivered

Call to Action

- Future success of GEAR and the culture of continuous improvement depends on the growth of the Delaware Quality Partnership – keep driving forward!
- Innovate new ways of doing business by challenging assumptions and patterns of management and service delivery
- Find opportunities to improve customer service and experience
- Identify new revenue sources
- Drive disciplined, measurement-based project management practices
- **Tell your Agency leadership -- and GEAR -- about your ideas**
- **Talk, share, cooperate, and communicate relentlessly about your successes**

Q&A



Resource Slides

Ideas

1. Centralized Procurement
2. Leverage the Internet for public information dissemination
3. Increase use of electronic communications (video, online presentations, etc.)
4. Consolidate back office services across Agencies
5. Consolidate back office services in Education
6. Increase use of electronic documents and workflow
7. Share business centers across Agencies
8. Aggregate energy usage across facilities/agencies to negotiate for lowest cost
9. Combine overlapping Agency functions
10. Leverage the Internet for online transactions
11. Create centralized Grants Management office
12. Consolidate backroom functions into Shared Service and Personnel groups
13. Consolidate Education central services
14. Consolidate HR into Center of Excellence Service Center
15. Increase self-service options for state employees
16. Implement standardized statewide shared Absence Management Program and system
17. Consolidate multiple instances of functionally similar IT applications
18. Enhance e-government services and expand use
19. Consolidate IT data centers
20. Reduce Printing Costs

- Identify opportunities
- Prioritize
- Focus
- Commit

Annual Report – Focus Area

Education

Develop proposals for initiatives focused on finding efficiencies within and across school districts:

- Transportation management
- Shared facilities management practices
- Managed energy purchasing and consumption
- Shared Internet bandwidth contracts
- *Funding mechanisms to address long term revenue shortfall and student growth*

Annual Report – Focus Area

Health Care

Develop proposals for initiatives focused on finding efficiencies through:

- Benchmarking of health care cost growth
- Performance improvement plans
- *Group employee health care reforms*
- *Medicaid reforms*

Annual Report – Focus Area

IT Efficiency

- Reviewing current state of IT centralization and opportunities in remaining agencies
- Identifying and mapping processes requiring multiple authorizations and physical signatures -- driving broad acceptance of digital signatures (UETA) and paperless workflow

Annual Report – Focus Area

Human Resources Delivery

Support the creation of a separate Human Resources agency

- Benchmark core processes of other state governments
 - HR policies and practices and systems
 - Payroll and benefit delivery systems
 - Absence and leave management systems

Annual Report – Focus Area

Financial Services Delivery

Collaborate among the state's financial officers (Treasurer, Auditor, OMB Director, Controller General, Sec. of Finance) to develop benchmarking and proposals to maintain appropriate levels of financial controls while reducing the time and resources associated with collections, payables, accounting, budgeting, reporting, treasury, auditing, and other financial services.

Annual Report – Focus Area

Public-Private Partnerships (3P)

Work with the Delaware business community to identify partnership opportunities that will lower the cost of government and promote economic development.

Encourage and enable industry talent to work with Agencies to support their pursuit of greater efficiency and effectiveness.

Annual Report – Focus Area

Legislative Package

- Identify legislative requirements that have outlived their value and impose material time and costs
- Create a package of legislative actions required to modernize and reform these requirements

Examples:

- What is the State's spend on paper notices and publications?
- What documents are copied to multiple officials purely for statutory reasons?
- How much is required by statute, and how much is performed for reasons of tradition?